

J A P A N · E C O N O M I C · I N S T I T U T E

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INSIGHTS IN
THIS ISSUE:

<i>Impact of the Tanaka Verdict</i>	<i>1</i>
<i>Extension of Export Administration Act Complicated by Alaska Oil Export Issue</i>	<i>2</i>
<i>MITI Study Group Proposes Stimulus Measures</i>	<i>3</i>
<i>Japan: Financial Wrap-Up</i>	<i>4</i>
<i>Hopes Fade for Progress in Beef and Citrus Talks</i>	<i>5</i>
<i>IBM-Hitachi Civil Case Settled</i>	<i>6</i>
<i>Foreign Ministry Blue Book Details New Foreign Policy.....</i>	<i>7</i>
<i>New Agreement on Use of Export Credits Emerges</i>	<i>8</i>
<i>Statistical Supplement</i>	<i>9</i>

Impact of the Tanaka Verdict

Former Prime Minister Kakuei Tanaka and four other defendants in the Lockheed trial were found guilty by the Tokyo District Court in a decision handed down on October 12. Mr. Tanaka, charged with receiving bribes from Lockheed Corp. to influence All Nippon Airways' (ANA) decision to purchase the Lockheed airbus, was sentenced to four years in prison without probation and fined ¥500 million (\$2.1 million). All the defendants appealed immediately and Mr. Tanaka was released on bond after a few hours. No basis for the appeal was disclosed.

STATISTICAL SUPPLEMENT

Trade and Payments Data
(in millions of dollars unless otherwise indicated)

	1981		1982		January-August 1982		January-August 1983		June 1983		July 1983		August 1983	
Japan's Balance of Payments														
Trade Balance	\$ 19,967	\$ 18,079	\$ 11,071	\$ 18,950*	\$ 2,772*	\$ 3,762*	\$ 2,452*							
Exports (f.o.b.)	149,522	137,663	92,511	92,991*	12,143*	12,499*	11,493*							
Imports (f.o.b.)	129,555	119,584	81,440	74,041*	9,371*	8,737*	9,041*							
Current Account Balance	4,770	6,850	3,126	11,772*	2,215*	2,855*	1,374*							
Long-Term Capital (net)	-9,672	-14,969	-14,611	-10,168*	-1,622*	-1,799*	-1,931*							
Overall Balance	-2,144	-4,971	-7,567	2,916	1,384	874	-27							
International Reserves														
(end of period)	28,403	23,262	24,416	24,398	24,782	24,939	24,398							
Japan's Customs Clearance Trade														
Trade Balance	8,741	6,900	3,163	11,966*	1,886	2,848	1,662*							
Exports (f.o.b.)	152,030	138,831	93,483	93,656*	12,289	12,629	11,620*							
Cars	18,445	18,015	12,147	12,731*	1,625	1,716	1,249*							
Steel	16,669	15,645	11,052	8,172*	1,105	1,028	1,061*							
Imports (c.i.f.)	143,290	131,931	90,320	81,690*	10,404	9,780	9,958*							
Crude Oil	53,343	46,274	31,303	25,981*	2,940	2,751	2,723*							
Japan-U.S. Trade														
Trade Balance	13,312	12,151	7,885	9,942*	1,417	1,525	1,343*							
Exports (f.o.b.)	38,609	36,330	24,509	26,015*	3,685	3,689	3,392*							
Imports (c.i.f.)	25,297	24,179	16,624	16,073*	2,267	2,164	2,049*							
Yen-Dollar Exchange Rate														
Tokyo Spot Market (end of period)	¥219.90	¥235.00	---	---	¥239.70	¥241.70	¥246.60							
U.S.-Japan Trade														
Trade Balance	-15,789	-16,778	-12,408	-12,543	-1,348	-1,637	-1,834							
Exports (f.a.s.)	21,823	20,966	13,976	13,761	1,936	1,920	1,800							
Industrial Supplies	8,983	9,173	6,141	5,590	701	706	709							
Food and Feed	5,896	4,971	3,311	3,504	439	530	544							
Capital Goods	4,767	4,434	2,977	3,116	605	459	339							
Consumer Goods	1,318	1,356	919	920	122	124	109							
Imports (Customs)	37,612	37,744	26,384	26,304	3,284	3,557	3,634							
Automotive Products	12,950	12,890	9,014	9,748	1,295	1,253	1,328							
Industrial Supplies	7,179	6,795	5,105	3,444	398	453	478							
Consumer Goods	8,340	7,842	5,305	5,171	610	694	770							
Capital Goods	8,589	9,530	6,459	7,500	928	1,099	996							

*Preliminary

STATISTICAL SUPPLEMENT

Japanese Economic Indicators

(percentage change from year-earlier period unless otherwise indicated)

	1981	1982	January- July 1982	January- July 1983	May 1983	June 1983	July 1983
<u>Discount Rate (end of period)</u>	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
<u>Outstanding Money Supply</u>	8.9%	9.2%	9.8%	7.5%	7.5%	7.7%	7.1%
<u>Industrial Production</u>	1.0%	0.3%	1.7%	0.7%	2.2%	1.9%	2.4%
<u>Manufacturing Operating Rate</u>	-4.6%	-2.9%	-2.2%	-1.3%	0.0%	0.3%	0.4%
<u>Number of Bankruptcies</u>	-1.5%	-2.8%	-3.1%	6.9%	8.4%	16.1%	5.8%
<u>Residential Construction Starts</u>	-9.2%	-0.5%	-6.2%	-1.1%	-11.2%	-0.1%	-3.4%
<u>Job Openings to Applications (ratio)</u>	0.68	0.61	0.62	0.59	0.57	0.58	0.57
<u>Nominal Wages</u>	5.3%	4.5%	4.7%	4.6%	3.5%	4.2%	3.8%
<u>Labor Productivity</u>	2.4%	1.0%	2.3%†	1.0%†	3.9%	n.a.	n.a.
<u>Wholesale Prices</u>	1.4%	1.8%	2.0%	-1.5%	-1.9%	-2.0%	-2.4%
<u>Consumer Prices</u>	4.9%	2.7%	2.6%	2.2%	2.7%	2.0%	2.2%
<u>Yen-Based Export Prices</u>	1.2%	3.9%	5.4%	-5.8%	-4.9%	-6.5%	-7.0%
<u>Yen-Based Import Prices</u>	1.6%	7.9%	7.0%	-4.8%	-6.7%	-8.3%	-10.1%

†Through May of each year only.

For Japan's most recent GNP figures, see JEI Report No. 36B, September 23, 1983.